

AUSTRIAN INFORMATION

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NO PRICE INCREASES, WAGES REMAIN STABLE. According to the latest monthly report of the Austrian Institute for Economic Research, the economic situation in Austria is characterized by continuation of the favorable labor situation, by a tapering off of the export boom and by stable wages and prices. The Institute reports that the trend of the economy during the fall months was overwhelmingly favorable.

In the view of the Institute, future developments will depend largely on the extent to which increased domestic demand can offset a weakening in international economic activity which is now manifesting itself in various areas. The budget for 1958 will be an important factor in this connection.

Labor Market and Industrial Production

The trend of the labor market during October was markedly favorable. The number of employed dropped by a mere 300 to a total of 2,253,900. This decrease was smaller than that for September, and 1,900 less than the decrease for October 1956.

(Continued on page 2)

PRESIDENT AND CHANCELLOR IN MESSAGES TO EISENHOWER. A get-well message was sent to President Eisenhower by Austrian President Schaerf on November 27. Chancellor Raab sent the following telegram: "Saddened by the news of your illness, I beg you to accept my heartfelt wishes for a full and speedy recovery. My thoughts are with you in these days. In sincere friendship — Raab."

WHAT AUSTRIA HAS TO OFFER THE FOREIGN INVESTOR. The capital requirements of the Austrian economy during the coming years will be tremendous. In addition to the current investments necessary to keep the country in step with international technological developments through rationalization and increasing automation, further expenditures for conversion to the needs of the European market will be required. It is still impossible to estimate what the total capital requirements will be. The estimate for the textile industry alone is one billion schillings (one dollar equals 26 schillings - Ed.).

Sums of this magnitude are of course beyond domestic capacity, so that financing by Austrian sources will have to be supplemented by capital from abroad. The first steps in this direction have already been taken. Austrian private industry has assurances of receiving a World Bank loan of 15 million dollars. A special Austrian organization, the "Investitionskredit-AG," was set up to arrange this loan. This organization may possibly provide the nucleus for an investment bank at a later date. (Continued on page 2)

KAMITZ GIVES VIEW ON THE AUSTRIAN ECONOMY. In reply to questions in Parliament concerning the prospects for a continued expansion of the Austrian economy, Finance Minister Kamitz said that at present two factors were at work on the international plane: first, the attitude prevailing in all the countries of the Free World that full employment should be maintained under all circumstances; secondly, a certain trend to stress consumer goods output that has resulted in an imbalance between fields of production. Some countries have resorted to restrictive measures in order to protect their rising prices. It is therefore possible that some weakening in international markets may occur during the next six months. On a long-term basis, however, there is no reason to believe that there will be a change in the present situation, provided, however, that it be possible to maintain real currency stability; major price shifts must be prevented if the prerequisites for the formation of capital are to be maintained.

"FREE TRADE AREA A NECESSITY." In an address at the opening of the Fourth Advertising Congress at Vienna, the Minister of Trade dealt with problems of advertising in relation to European integration. He declared that the world economy of the future would be determined by larger blocs, since such a development was an economic as well as a political necessity. He said that every responsible businessman must be deeply concerned with the problems of advertising in a large market.

Dr. Bock pointed out that the increased risk factor involved in dealing with an expanded economic area was offset by the increased chances of capturing a larger share of the market. With respect to business advertising in Austria, he declared: "It is high time to give more attention to matters of advertising in a larger area."

Dealing with the free trade area, Dr. Bock pointed out that such an arrangement was a necessity for Europe, since otherwise the non-member countries of the Common Market of the six member states of the European Coal and Steel Community would have to face the prospect of discriminatory measures.

ATOMIC ENERGY AGENCY RETURNS TO VIENNA. Following the return to Vienna recently of W. Sterling Cole, Director-General of the International Atomic Energy Agency, final work on the organization of the Agency will begin. It is reported that appointment of the directors and deputy directors will take place before the end of the year in accordance with the resolutions of the first General Conference. Appoint-

ment of scientific personnel, who will form a majority of the Agency's staff, is expected to begin in January.

The Board of Governors, the most important board within the Agency, will meet on December 16. One of the items on its agenda will be a final decision concerning the headquarters of the Agency in Vienna.

WAGES STABLE (Continued from page 1)

The number of job-seekers registered rose by 5,300 (in 1956, by 8,100) to a total of 69,800. As of the end of October, there were 41,800 more employed persons and 5,400 fewer job-seekers than one year previously. The rate of unemployment was 3 per cent, as compared with 3.3 per cent in October 1956.

During August, industry produced 4 per cent more per working day than in August 1956 total. The expansion rate (up 5%), somewhat lower than in the first half-year, is attributable mainly to the basic materials industries.

Thanks to a high level of export orders, the machinery industry continued to make the best showing among the capital goods industries. Production of consumer goods continues to rise steadily. In the sample survey conducted by the Institute, most firms in the processing industry reported higher output for September and October 1957 than in the comparable months last year.

Slowing Down in Expansion of Exports

During September, exports rose by 42 million schillings to a total of 2,186 million schillings. This rise involved little change in the structure of exports. During recent months there has been a noteworthy slowing down in the expansion of exports. During the first quarter of 1957 the value of exports was 22 per cent higher than one year before; in the next two quarters, however, the increases were only 18 and 13 per cent, respectively, and the September increase was barely 10 per cent.

Contrary to seasonal expectations, imports during September rose by 64 million to a total of 2,430 million schillings. In terms of value, these imports were 23 per cent higher than in 1956 and in terms of volume, 25 per cent higher.

The balance of trade for September showed a deficit of 244 million schillings. The deficit was balanced out by the foreign-exchange earnings of the tourist trade. Despite the advanced season, the number of overnight accommodations booked by foreigners was still strikingly high (1.9 million). Foreign-exchange earnings of the tourist trade amounted to 341 million schillings, or 22 per cent more than in 1956.

The domestic price index remained stable during October. The wholesale-price index dropped by 0.8 per cent to 876. From mid-September to mid-October, the Institute's cost-of-living index remained unchanged at 732.2. Compared with the same period last year, wholesale prices in mid-October were 0.8 per cent higher and the cost of living 2.9 per cent higher. The upward movement of wages has practically ceased. Net worker wages in Vienna were 3.5 per cent higher in mid-October 1957 than in the same period last year. During the third quarter of 1957, net weekly wages of Viennese workers were 5 per cent higher than one year earlier.

Economy Reinforced by Budget

A special survey by the Institute sheds light on the cultural-affairs policy of the 1958 Federal budget. The estimated deficit in the regular budget, amounting to 986 million schillings, will presumably be covered by additional income and reductions in expenditure. It is questionable, however, whether significant additional income will be available for financing the special budget. As a result, an overall deficit of between 1 and 1.5 billion schillings is expected.

The 1958 budget could prove to be a valuable stabilizing factor in the domestic economy if the international economic situation were to become weaker.

FOREIGN INVESTOR (Continued from page 1)

Foreign-exchange conditions in Austria are adequate for the purposes of investors, although the Austrian Foreign Exchange Law provides that the raising of loans from foreign sources and the submission of collateral to foreign creditors is subject to authorization. However, where bona fide transactions are involved, the Austrian National Bank, which is the competent authorizing agency, has proved most cooperative. Applications for genuine business participation are granted regularly. There is likewise no difficulty in transferring profits from Austria. Also, the liberalization code of the OEEC (Organization for European Economic Cooperation) is applied; under its provision, profits, interest and dividends of companies in which foreign capital is invested can be freely transferred out of the country. The subsequent transfer of capital is discussed at an early stage, preferably at the time authorization is granted for the investment to be disbursed.

THE AUSTRIAN U.N. DELEGATION. In his present function as Rapporteur of the First Committee, the Austrian permanent delegate, Ambassador Matsch, summarized the Committee's recommendations concerning *The Effects of Atomic Radiation* as follows:

The First Committee was of the opinion that for the time being all information within the sphere of the terms of reference of the United Nations Scientific Committee on the effects of atomic radiation should be made available to this Committee... The Secretary-General is to be requested, in consultation with this Scientific Committee to consider the question of ways and means of strengthening and widening the scientific activities in this field and to take into account in this connection the discussion held in the First Committee and the proposals submitted and to report thereunder to the Thirteenth General Assembly.

The Austrian spokesman on the First Committee, Envoy Waldheim, had previously stated the Austrian view on the subject. He said in part:

The Austrian delegation welcomes the idea of a Scientific Conference on the Effects of Atomic Radiation proposed by the Czechoslovak delegation. But we differ with the view that the convening of such a conference should be decided now by the Twelfth General Assembly. We believe that the report of the Scientific Committee should first be studied in order to see what appropriate forms of machinery should be envisaged to tackle this problem. After the report has been

studied, it may be advisable to convene a special type of conference or gathering of experts on related scientific questions. It may be recalled in this connection that the Second International Scientific Conference on the Peaceful Uses of Atomic Energy to be held in the summer of 1958 will also discuss the biological effects of radiation.

TENTH ANNIVERSARY OF UNICEF. On the occasion of the tenth anniversary of the International Children's Aid Fund of the United Nations (UNICEF), Minister for Social Welfare Proksch sent a letter of thanks on behalf of Austria to the head of the organization's European office.

The first UNICEF shipment for Austrian children reached the country on November 7, 1947. Since that time, 13,600 tons of high-grade foodstuffs, cod liver oil, soap, leather, etc. have been sent to Austria. These gifts formed the basis of the Austrian children's luncheon program, which the Ministry for Social Welfare is now making available to 120,000 children. UNICEF has also supported medical projects in the country, such as the rehabilitation of invalid children. At the present time, programs are being worked out with a view to establishing premature-birth centers and to producing prophylactic substances against children's diseases. The total value of UNICEF services to Austrian children up to the present time amounts to 6.9 million dollars.

THE PEOPLE OF SOUTH TYROL IN APPEAL TO AUSTRIA. On November 17, over 30,000 South Tyroleans gathered at Sigmundskron Castle near Bolzano in a demonstration organized by the South Tyrol People's party to protest against the Bolzano housing projects designed to further the cause of Italianization.

The principal speaker was Dr. Silvius Magnago, President of the South Tyrol Legislature and regional head of the South Tyrol People's party, who called for the implementation of the Austro-Italian Agreement on South Tyrol. A resolution adopted by the meeting declared that the purpose and meaning of the Agreement had been to preserve the historical unity of South Tyrol for its native population. According to the resolution, just the contrary had taken place: not only had there been no correcting of the wrongs done to the South Tyroleans under the Fascist regime, but the Italianization of South Tyrol was being carried forward with every possible means. Among these means were the system of job placement and that of housing projects.

The resolution then demanded: "the granting of true autonomy to South Tyrol as a separate region, guarantees that the native population will be given absolute priority in the assignment of work and housing, the granting of complete and true equality to the German language in public life and taking due account of the national group in appointments to all public jobs in and in all public organizations."

"The South Tyrolean people appeal to Austria, which assumed the protection of the South Tyrolean national group under the Austro-Italian agreement, to devote every energy and use every means for securing the swift fulfilment of these demands. If direct negotiations should not bring any results, Austria should demand right and justice for South Tyrol before the appropriate international tribunal."

AUSTRIAN CURRENCY RESERVES FOURTH ON OEEC LISTING.

According to Per Jacobsson, General Director of the International Monetary Fund, Austrian monetary policies during the critical periods of recent years have fully justified the international confidence in the Austrian schilling; he said that Austria had obviously not found it difficult to maintain her rates of exchange, and pointed out that there had been no tightening of credit policies in Austria at a time when other countries had had to resort to highly restrictive measures. Also in a recent statement, Envoy Prack, the head of the Austrian OEEC (Organization for European Economic Cooperation) delegation at Paris, said that Austria's currency reserves, which are sufficient to cover import requirements for six months, are fourth highest among the OEFC countries.

FEDERAL EXPENDITURES HAVE DOUBLED SINCE 1925.

The Vienna "Social Sciences Study Group" has published a report on the trend of the Austrian national budget during the last three decades. In order to make an accurate comparison, the compilers of the study converted the individual budget figures to the monetary basis of 1955. Their findings showed that between 1925 (13.9 billion schillings) and 1955 (28.9 billion), the Federal budget had more than doubled. (26 post-war schillings to the dollar. — Ed.). The trend of the budget between 1925 and 1938 was by no means an organic one. In those thirteen years, the monetary budget of the Federal Government increased by more than 28 per cent, whereas there was hardly any increase in gross national income. Between 1945 and 1955, the volume of the budget rose by 62 per cent but at the same time, gross national income rose by 66.6 per cent.

The foregoing figures show that under pre-war Austrian governments the budget claimed an increasingly large share of the national product, whereas during the Second Republic the trend has been reversed.

VORARLBERG WELL EQUIPPED FOR EUROPEAN MARKET.

In relation to the European Free Trade Area, Vorarlberg has a more advantageous geographical position than the rest of Austria. (The planned development of the Upper Rhine from Basel to Lake Constance will offer great advantages to Vorarlberg.) In spite of the international structural crisis in the textile industry — manifested by the fact that the average textile production of the OEEC (Organization for European Economic Cooperation) States in 1955 was barely 20 per cent higher than in 1938 — the prospects of the Vorarlberg textile industry are favorable. The principal reason for this optimistic view held in Austria's westernmost land is the fact that Vorarlberg's cotton industry is equipped with more modern and more efficient equipment than many countries with great traditions for textile production. For example, 51 per cent of the looms in Vorarlberg are of the automatic type, as compared with 23 per cent in The Netherlands and 13 per cent in Great Britain. Moreover, multistage plants operating on a highly productive basis predominate in Vorarlberg. About 56 per cent of Austria's automatic looms are located in the area. Vorarlberg accounts for about 30 per cent of the value of Austrian textile output, whereas its share in the labor force of Austria's textile industry is only 25 per cent.

AUSTRIAN WOODWORKING MACHINES SUCCESSFUL IN U.S. Austrian woodworking-machine plants have succeeded in getting a foothold in the American market and in placing several million dollars' worth of orders there every year. The products sold in the United States consist mainly of joining machines as well as multi-purpose planing and grooving machines which are used, among other things, in the construction of ships' hulls and frame houses.

INCREASED EXPORT OF FINISHED AND SEMI-FINISHED PRODUCTS. During recent years, there has been a pronounced increase in the value of Austrian exports of finished and semi-finished products. During the first nine months of 1957, exports of this type accounted for 72.2 per cent of all Austrian exports. In the comparable periods for 1956 and 1955, the proportion was 68.3 per cent, and in 1954, only 66.6 per cent. Whereas Austria's total exports increased from 11,563 million schillings during the period from January 1 through September 30, 1954, to 18,838 million for the same nine-month period of this year, i.e. an increase of 63 per cent, exports of semi-finished and finished products rose at the same time from 7,705 to 13,594 million schillings, or by 76.4 per cent (one dollar equals 26 schillings — Ed.).

GAS CONSUMPTION INCREASING. According to recent statistics, there is not only a general upward trend in the number of gas consumers but also in the production of gas. As of September 30, 1956, the number of consumers was 747,523. By the end of September 1957, this number had risen to 761,630.

During the first nine months of the present year, total production of gas amounted to 105,573,937 cubic meters, as compared with 101,159,108 cubic meters during the same period in 1956. As a result of the increased use of natural gas during the same period, the use of coal dropped from 98,375 to 90,780 tons and coke production fell from 76,879 to 70,555 tons.

The growing use of gas for heating purposes is confronting the gas works with the increasingly serious problem of meeting peak requirements during the winter months. It is expected that gas consumption will rise so sharply within the foreseeable future, that the gas works will have to set about finding new and modern raw materials which will give gas-production installations greater flexibility of operation.

NEW OIL SOURCES EXPLORED. The Austrian Petroleum Administration (OeMV) is attempting to determine the proportions of a new source of oil which was recently discovered near Bad Pyrawarth (north-west of the Matzen field) at a depth of over 6,500 feet. This development is of particular interest, because the oil has an unusually high gasoline content for Europe, i.e., 38 per cent. (Matzen oil has a gasoline content of about only 5 per cent.) However, the well which erupted with 40 tons of oil on the first day was exhausted after a few days. Attempts will now be made to obtain further information about this field by further drillings.

NATURAL GAS PRODUCTION UP, OIL DOWN. During October, a total of 260,598 tons of natural gas were produced in Austria, as compared with 255,132 tons in September. Due to increased demand, the production of dry gas rose from 19.8 to 33 million cubic meters in the same period.

During the first ten months of this year total oil production was 2.67 million tons. In the same period last year, the figure was still at the 2.87 million-ton level.

GROWING CEMENT REQUIREMENTS. Per capita consumption of cement in Austria rose from 417 lbs. in 1950 to 604 lbs. in 1956. This means that Austria was in sixth place among the countries of the Organization for European Economic Cooperation (OEEC) in respect of cement consumption. The countries whose rates were higher than that of Austria were Iceland (1219 lbs.), Switzerland (1,127 lbs.), the German Federal Republic (800 lbs.), Belgium-Luxembourg (767 lbs.) and Sweden (661 lbs.). Total Austrian consumption of cement rose from 1,309,000 tons in 1950 to 1,913,000 tons in 1956, and amounted last year to about 2.7 per cent of the total consumption in the OEEC area. According to an OEEC report, total world consumption of cement in 1956 was 235 million tons, 30 per cent of which was accounted for by the OEEC area, 23 per cent by the United States and 47 per cent by the rest of the world.

VOEST SHIPMENTS TO INDIA, IRAQ, LATIN AMERICA. The United Austrian Iron and Steel Works (VOeEST), Linz, recently delivered a 100-ton boiler head to India, for use in raw sugar production. Pipelines and other structural parts were delivered to the largest hydroelectric project under construction in Iraq, the Dokan Dam. The value of these exports is approximately 1 million dollars. VOeEST technicians will go to Iraq to cooperate on the project, which is scheduled for completion in the spring of 1958.

VOeEST are also supplying Venezuela: at the present time, a hydroelectric plant is under construction on the Caroni river, one of the tributaries of the Orinoco river in Venezuela. The United Austrian Iron and Steel Works (VOeEST) is supplying the project with four large locking units, known as segmental valves, together with their hydraulic gearing. Some components of this order are still under construction at Linz, while still others are on the Atlantic en route to their destination. Meanwhile, VOeEST has received additional orders in connection with the project.

LINZ NITROGEN WORKS AGAIN BOOST PRODUCTION. The fertilizer production plan drawn up by the Linz Nitrogen Works for 1958-59 provides for an increase in output: fertilizer production will be raised 3-5 per cent above this year's level, to a total of 700,000 tons; the output of high-quality superphosphates, increasingly prepared with the use of Moroccan phosphates, is expected to reach between 80,000 and 100,000 tons; new installations will bring production of sulfuric acid on an anhydrite basis up to 70,000-80,000 tons.

AUSTRIAN PRODUCTION OF NON-FERROUS METALS. The 1956 statistics for non-ferrous metals published by the Organization for European Economic Cooperation (OEEC) show that Austria produced 59,000 tons, or about 10 per cent of the primary aluminum produced by all the OEEC states. Thus, Austria occupied fifth place among the aluminum producing countries of the area; Austria also held fifth place among the 16 OEEC countries as a consumer of aluminum (36,000 tons, or 4.4 per cent). From 1954 to 1955, Austrian production rose 23 per cent while that of the OEFC countries as a whole rose by about 20 per cent. In point of consumption, the Austrian rate of increase for the same period was 38.5 per cent, as compared with the over-all quota of 28 per cent.

As regards crude copper, Austria accounted for 1.2 per cent (approximately 10,000 tons) of the production by OEEC states and for 1.4 per cent (20,400 tons) of the consumption. The Austrian figures for both production and consumption show a decline since 1954, whereas the OEEC countries as a whole showed an increase.

Austrian production of lead, amounting to about 9,000 tons, was 1.6 per cent of the total output by OEEC states. Its consumption figure of 10,300 tons was only 1.2 per cent of the total.

OXYGEN BLAST-STEEL PLANT OPENS IN U.S. The newly constructed oxygen blast-steel works of the Jones and Laughlin Company at Pittsburgh was set in operation recently by specialists of the Alpine-Montan Company. (This steel plant, with an annual production capacity of 720,000 tons, will be the largest of its kind outside of Austria. The installation includes two crucible units capable of handling charges of 60 tons each.)

RECORD SUGAR-BEET CROP. According to the information thus far available, this year's sugar-beet crop will probably reach the record figure of 14.5 million double centners as against a bare 12.3 million last year. Although the area cultivated with this crop has been reduced by 1,200-odd acres to a total of approx. 100,000 acres it can be expected that the sugar-beet crop will increase.

AUSTRIA'S LONGEST ROAD BRIDGE NEARS COMPLETION. The 1660-foot concrete bridge spanning the Aiter valley in Upper Austria is nearing completion. The bridge is the largest construction project on the super highway which will connect Salzburg and Vienna. Work began on the structure in the spring of 1956 and recently the last remaining section of the span was covered with concrete and prestressed. The bridge is one of the longest in Austria and actually one of the longest prestressed bridges in the world. It stretches across the Aiter valley at a height of approximately 100 feet, in a relatively narrow ribbon. It is of extremely simple construction; the roadway slabs, measuring 40 feet in width, are supported by two narrow main girders. The structure has attracted the attention of specialists in many countries.

DANUBE FREIGHT TRAFFIC INCREASES. During the first nine months of 1957, freight traffic on the Danube showed a marked increase over the level of the same period in 1956, especially with respect to domestic freight. In the first three quarters of 1956, domestic freight was 145,290 tons, or about 5.6 per cent of the total freight traffic. In the comparable period for 1957, the figure was 616,897 tons, or 17.4 per cent of the total.

The transportation of oil and oil products by way of the Danube is primarily responsible for this upswing.

THREE BILLION FOR CONSTRUCTION PROJECTS. Speaking on the subject of Austrian economic problems, Trade Minister Bock dealt with the principal budget items of his department. Three billion schillings (26 schillings to the dollar. — Ed.) are provided for construction projects, including one billion for Federal highways, 0.5-0.6 billion for the auto throughway and one billion for Housing Reconstruction Fund. Building activity will reach maximum capacity again next year.

6.41 BILLION SCHILLINGS SPENT ON 117,723 DWELLINGS. A total of 117,723 apartments were created from the "Housing Reconstruction Fund" set up under the 1948 Housing Construction Law.

What has thus far been achieved in this field is primarily from the first loan, which was raised in 1954 and oversubscribed within a few days. The second issue of the second loan was open for subscription from November 18-30.

The apartments built, which cost a little over 7 dollars per square foot of housing space, are inexpensive compared with those in other countries of the same quality. This low cost is the result of using rational construction methods and the latest knowledge in the field of building technology.

The dwellings in question are equipped with the most modern comforts. While complying with municipal building standards, an effort has been made to gratify the city-dweller by providing terraces and balconies. The sums saved through the use of up-to-date construction methods do not have to be turned back but can be used for further finishing or for the benefit of future tenants.

The resources of the Fund have made it possible to eliminate slightly less than three-quarters of the war-damaged houses throughout the country. However, there are 40,000 apartments which still have to be restored. At the present time, 679 apartment houses are under construction, of which 405 are in Vienna. This means that 3.5 million schillings are being expended daily from the Fund.

22 SUPERMARKETS DEMONSTRATE A TREND. The Technological Museum is currently featuring an exposition which includes a self-service market set up by the Austrian Consumers' Cooperative. The market is similar to the one which is to be opened shortly in the new Vienna skyscraper. The new supermarket will be the twenty-second unit of this kind to be opened by the Cooperative in Austria.

FIRST "APARTMENT TOWER" IN VIENNA. For some time, municipal housing specialists in Vienna have been engaged in vigorous discussion of questions connected with "cliff dwelling." It has now become possible to study these problems on a practical basis, since work has nearly been completed on a 20-story apartment building erected in the center of a housing development sponsored by the city of Vienna.

The building is a 220 x 70 - foot rectangle. The top floor houses a cafe and restaurant with an observation terrace overlooking the roofs of the city. This part of the building will be ready for use in December. Eighteen floors will be used for living quarters and will include a total of 108 apartments; 18 of them, measuring about 450 square feet, will feature one room and kitchen; 18 will have two rooms and a kitchen, 18 will have three rooms and kitchen; 36 of them, measuring over 860 square feet, will have a kitchen, two large rooms and two small rooms. Each apartment will have a foyer, bathroom, toilet and closet space. Bathrooms and kitchens will be fully equipped. In this respect, Austrian builders — including, as in this case, the city building departments — are increasingly following the American example.

EVERY THIRD HOUSEHOLD MOTORIZED. According to a leading Austrian polling institute, 36 per cent of Austria's households have a motorized vehicle. Approximately every eighth household has an automobile. Eleven per cent have motorcycles, five per cent have scooters and eight per cent motorbicycles. Among the self-employed, every third household has a car and every eighth one a motorcycle. In families where the principal earner is a white-collar worker, automobiles also rank first (accounting for ten per cent). Among the workers, it is the motorcycle (14 per cent) and the motor-bicycle (15 per cent) which predominate. In farm households, the motorcycle (21 per cent) is the principal vehicle.

AUSTRIAN INFORMATION

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WINTER AIR TRAFFIC FOR TYROL TO BE INCREASED. Starting immediately, the British "Eagle Airways" of London is instituting direct flights between London — Innsbruck and back every Saturday and Sunday during the winter season. The schedule is designed to ferry winter-sports fans to and from the Tyrol.

Swissair will service the area with direct flights from Zurich to Innsbruck between December 20 and March 9. These flights will take off four times a week, on Wednesdays, Fridays, Saturdays and Sundays. The return flights to Zurich will be on Mondays, Thursdays, Saturdays and Sundays.

An Austrian airline, "Aero Transport-Gesellschaft," will fly the Vienna-Innsbruck route three times a week, making the round-trip flight in under two hours.

THE NEXT VIENNA SPRING FAIR. It has now been announced that the next Vienna International Spring Fair will be held from March 9-16, 1958. As part of the Fair, there will again be an International Automobile Exhibition.

U.S. TO RETURN AUSTRIAN ASSETS. Negotiations were conducted recently in Washington between representatives of Austria and the United States on the return to Austrian owners of Austrian assets still held subject to confiscation by the United States. The talks were a complete success, and it was agreed that all assets not yet released shall be transferred to the Austrian owners within six months from ratification of the agreement. The agreement requires the ratification of the United States Senate.

SOCIAL WELFARE DEDUCTIONS AMOUNT TO 45.4 PER CENT. Compared with those of other Western European countries, the social welfare and tax burdens in Austria are particularly high. Obligatory social welfare payments amount to 19 per cent of assessed wages. This means that Austria stands third among the Western European nations in this regard being preceded by Italy and France. The figure for the Netherlands is the same as that for Austria. In Belgium the rate is 17.7 per cent, and in Germany 11.7 per cent. In all other countries it is under 10 per cent.

Austria, with a figure of 10.1 per cent, stands in third place in regards to the cost of vacations with pay, being preceded by Italy (14.2 per cent) and Belgium (11.6 per cent). These figures do not cover voluntary social welfare payments, which are also very high in Austria, nor do they include other wage deductions of the social welfare type. On the basis of a survey for 1955 carried out by the Industrialists' Association, it was found that total social welfare payments of laborers and white-collar workers in industry averaged 45.43 per cent of their wages and salaries.

AGREEMENT ON LIQUIDATION OF AUSTRIAN DEBTS PRIOR TO 1918. In the November 12 session of the Austrian Cabinet, Finance Minister Reinhard Kamitz reported that on October 24 an agreement was initialled in Paris by an Austrian delegation and representatives of the "Caisse Commune des Porteurs des Dettes Publiques Autrichiennes et Hongroises", regulating the final settlement of Austria's obligations toward this institution. The obligations in question represent Public Debts of the Austrian part of the ancient Austro-Hungarian Monarchy which ceased to exist in November 1918. After World War I, the foreign holders of titles to ancient Austrian and ancient Hungarian bonds founded the joint institution of the "Caisse Commune des Porteurs des Dettes Publiques Autrichiennes et Hongroises". The liability for servicing and effecting redemption of the ancient bonds passed on to the following successors to the Austro-Hungarian Monarchy: the Republic of Austria, Poland, Romania, Czechoslovakia and Yugoslavia. As regards the ancient Austrian bonds, the claims of the Caisse Commune cover the 4% Government Bonds (Gold), the 4½% State Treasury Bonds issued in 1914, and the Preference Debentures of the State Railway Company (STEG).

From November 25 to December 6, 1952, a conference was held in Rome to enable a discussion between Austria and representatives of creditors, concerning Austrian Public

Debts incurred before 1938. At this conference, the amount of the Austrian liability toward the Caisse Commune was fixed to an equivalent of 26,930,000 dollars. Since of all States obliged to service and redeem the bonds, only Austria met the current obligations, the prices of the bonds receded considerably on the international markets. Austria derived advantage from this development by acquiring Caisse Commune securities at favorable prices and eventually accumulating holdings to a total value of 14,336,000 dollars. At the negotiations conducted in Paris in October this year this position ensured the concession that the Austrian holdings of Caisse Commune securities were declared acceptable for redemption of the debts under consideration, although no relevant provision had been made in previous agreements. The original liability fixed in 1952 was thus reduced to approximately 12,593,000 dollars. With arrears of interest of about 719,000 dollars to be added to the amount, Austria's overall debt repayable to the Caisse Commune was finally established in the region of 13,313,000 dollars.

Austria's negotiations with the representatives of the Caisse Commune resulted in the agreement that this remaining debt may be settled by a flat sum payment of six million dollars within five years. The agreement envisages quarterly installments exempted from interest payment, during a term beginning on January 1, 1958.

The decisive factor prompting the representatives of the Caisse Commune resulted in the agreement in favor of Austria was especially the clear evidence of Austria's determination to meet its financial liabilities, as opposed to the strict refusal of payment by all other successors to the Austro-Hungarian Monarchy. The Paris agreement constructively aids the final settlement of Austria's obligations toward the Caisse Commune from the years prior to World War I. As far as Austria is concerned, Vienna's compliance with the terms of this agreement will end the liquidation of an international financial affair protracted through four decades.

CULTURE AND SCIENCE

1964 WINTER OLYMPICS IN AUSTRIA? The Austrian Olympic Games Committee recently held a meeting under the chairmanship of Dr. Drimmel, Austrian Minister of Education. The question under discussion was the holding of the 1964 Winter Olympics. The Committee decided to ask all Austrian cities which were interested in taking over the games to indicate this fact at once, so that the necessary negotiations could be undertaken. (The Olympic Committee for Germany reports that it decided at its plenary meeting not to give notification of any application by Garmisch-Partenkirchen for the holding of the 1964 Winter Olympics there, in order not to enter into competition with an Austrian city.)

VIENNA CHOIRBOYS IN NEW YORK'S TOWN HALL ON CHRISTMAS EVE. A group from the famous Vienna Choirboys, under the direction of Gerhard Track, is starting a four-month tour of North America. Included in their schedule is a Christmas Eve concert in New York's Town Hall.

1958 VIENNA FESTIVAL TO RUN FROM MAY 31 TO JUNE

22. The Seventh General Meeting of the "European Association of Music Festivals," dealt with the question of the part played by festivals in the cultural life of Europe. Their discussion arose from large-scale inquiry on the subject carried out by the Association.

Fifteen of the Association's nineteen members met in Vienna recently, and in three days of intensive work, reached decisions bearing on the outstanding events which are to take place in international musical life during the coming season.

In addition to artistic problems of general nature, the meeting discussed administrative questions and considered the results of the inquiry it had organized. The inquiry covered four principal subjects: 1. "The definition of festivals," 2. "The increasing number of festivals" (an increase is favored, but so is the idea of specialization), 3. "The European role of festivals" and 4. "The contribution of festivals to musical life."

Besides discussing questions of principle and programming, the meeting fixed the dates at which the various European festivals would be held. The Vienna Festival was set for the period May 31 to June 22, 1958.

MUSIC COURSES A FEATURE OF THE AUSTRIAN PAVILION AT BRUSSELS FAIR. A music seminar under the title "International Music Academy" will be held in the Austrian Pavilion at next year's World Fair in Brussels, April 17 to October 8. The courses will be given by professors of music from the Vienna and Salzburg Academies to students from all parts of the world who have been invited to attend a series of 21-day courses. The syllabus has been designed to demonstrate the authentic interpretation of Austrian music, whether students sign up for courses on Austrian piano, violin, vocal, wind instrument, cembalo and chamber music, or in operatic interpretation, conducting or twelve-tone composition classes. The purpose of the seminar is to widen the knowledge of the distinctive character and style of Austrian music. Visitors to the World Fair will be able to observe the events of the "International Music Academy" through a glass panel separating the audience from the classroom.

MET RENEWS CONTRACT WITH KARL BOEHM. Following his recent appearance at the New York Metropolitan Opera, where he has been conducting Mozart's "Don Giovanni," and Strauss' "Der Rosenkavalier," Karl Boehm has been signed again for the 1958/59 season. He will return to Vienna in January 1958 to conduct thirty performances at the Vienna State Opera during the subsequent months. His schedule in Vienna will include, among other works, Paul Hindemith's "Mathis der Maler."

THE "DEUTSCHMEISTER" IN CARNEGIE HALL. Vienna's "Deutschmeister" band will perform in Carnegie Hall on January 10. The show, to be staged under the patronage of Austrian Chancellor Julius Raab, will feature "Vienna on Parade." The large cast includes a children's choir, a

"Schrammel" quartet and the operetta singers Hedy Fassler and Erwin Gross. (Tickets may be obtained through Felix Gerstmann Management, 140 West 42nd Street, Manhattan; phone: LO 4-6990.)

RECENT STAMP ISSUE. Austria has issued a postage stamp depicting an ancient landmark: the Castle of Heidenreichstein, Lower Austria, which dates back to the twelfth century.



The denomination of the greenish-blue stamp is ten schillings.

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BAD GASTEIN A MEDICAL CENTER. From January 7-10, the Third International Symposium on Radioactive Isotopes will be held at the Grand Hotel Europe in Badgastein. Between March 9 and March 22, the same hotel will be the scene of the Third International Course in Practical Medicine.

Physicians are being invited to the Isotope Symposium by the Second University Medical Clinic of Vienna, directed by Prof. Fellinger. The official language of the proceedings will be English and French in addition to German.

VIENNA MUSIKVEREIN HALL FAVORED. The Paris "Agence Cooperative d'Information" has asked 23 well-known conductors what concert hall seating over 1,300 persons they would select as a matter of preference for conducting a major orchestral work. The Musikverein Hall in Vienna proved the favorite, followed by the Teatro Colon in Buenos Aires, the Concertgebouw in Amsterdam, the Boston Concert Hall, the Fine Arts Palace in Brussels, La Scala in Milan and the San Carlo Theater in Naples.

AUSTRIAN FILM AWARDED PRIZE AT VERSAILLES CONGRESS. At the Fourth Congress of the European Union of Film and Television Artists held in Versailles during October, the Austrian film "Kreuzzug der Menschlichkeit" (Crusade of Compassion) was awarded a prize by an international jury. The picture had been commissioned by the League of Red Cross Societies and was produced by the Austrian director, Walter Stoltzner. In addition to representatives of the Council of Europe, the jury included personnel from the Paris Embassies of those countries belonging to the Film Union.

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